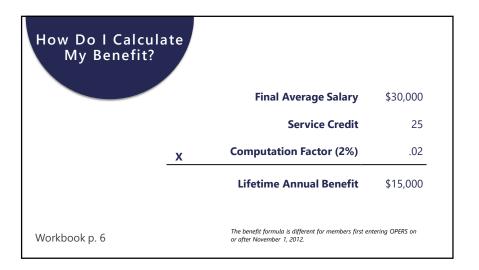




# About OPERS Defined Benefit Plan • You and your employer pay contributions. • You must work until meeting eligibility requirements. • Benefits are based on a formula. Lifetime benefit.



# **Unused Sick Leave**

# May be added to service credit

 If addition causes total credited service to equal or exceed 6 months, service is rounded up to the next year.

Hours of Unused Sick Leave	Months of OPERS Service Credit
0 – 159	0
160 – 319	1
320 – 479	2
480 – 639	3
640 – 799	4
800 – 959	5
960 (maximum)	6

Workbook p. 7

\*Rounding eliminated for members who begin on or after November 1, 2012. These members will be credited with full years and months of participation.

# Unused Sick Leave Examples

# When it adds a year:

21 years 0 months Service Credit

+ 6 months Unused Sick Leave

21 years 6 months Total Service

22 years Total Service Credit

# When it does NOT add a year:

21 years 9 months Service Credit

+ 6 months Unused Sick Leave

22 years 3 months Total Service

22 years Total Service Credit

# When Can I Retire?

Normal (Full) Retirement

**Age 62** with **6 years** of full-time equivalent employment (2,076 hours per year)

----- OR -----

**80 points** (age + service credit) if you became a member before July 1, 1992

**90 points** (age + service credit) if you became a member on or after July 1, 1992

Workbook p. 3

\*For members who began participation in OPERS  $\underline{before}$  November 1, 2011.

# **Early Retirement**

Ages 55 to 62

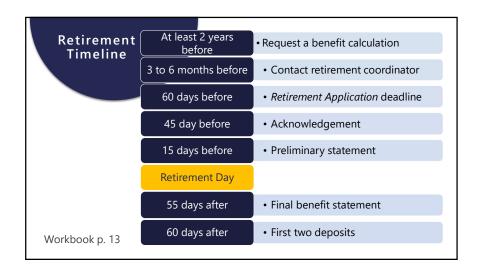
10 years of participating service

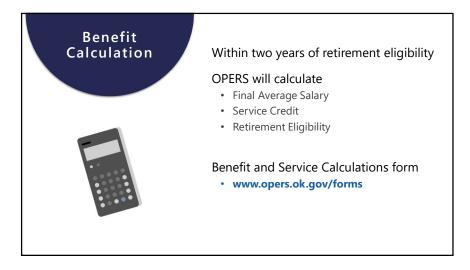
Permanently reduced

Workbook p. 3

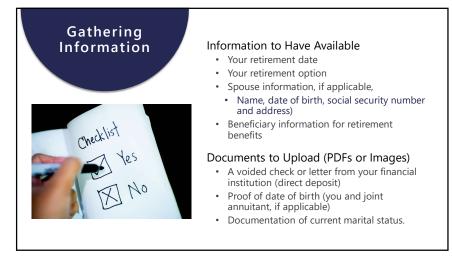
Early Retirement Reduction Factors			
Age	Percentage		
62	100.00		
61	93.33		
60	86.67		
59	80.00		
58	73.33		
57	66.67		
56	63.33		
55	60.00		

\*For members who began participation in OPERS  $\underline{before}$  November 1, 2011.









# Applying for Retirement

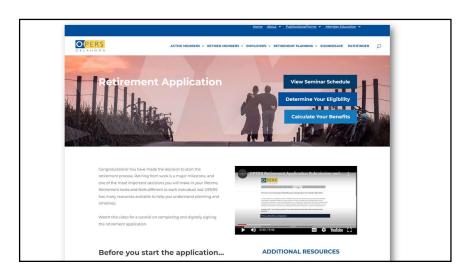
# Retirement application process is now digital!

# Retirement Application page

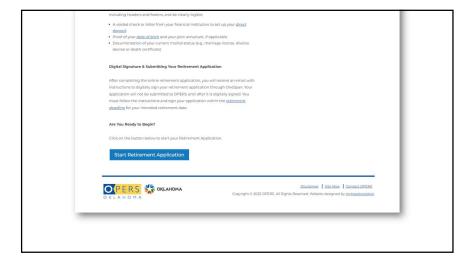
- · How to videos
- Instructions
- List of documents to gather

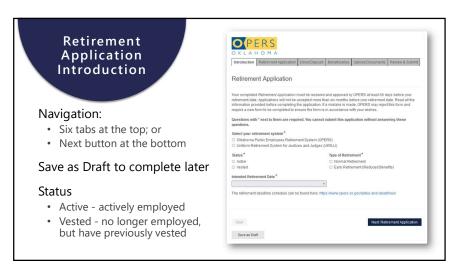
www.opers.ok.gov/retire

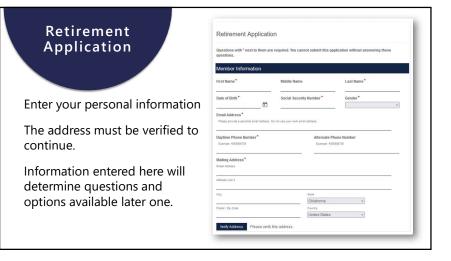


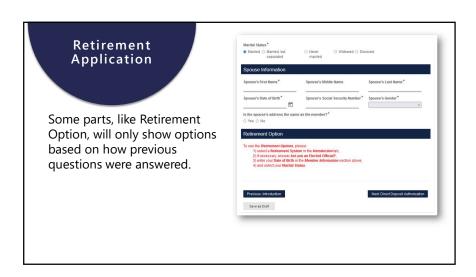


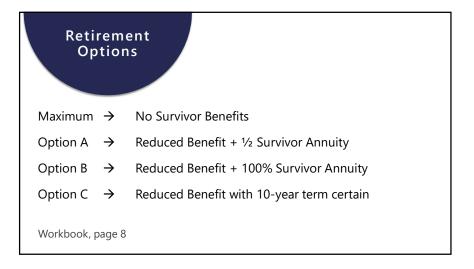












# Maximum Option Sin

# Single Life Annuity

- Benefits for one person for life
- No reduction in benefits

# Option A 1/2 Joint and Survivor Annuity • Payment for two lives • Reduced lifetime benefit for you • 1/2 survivor benefit for life Workbook p. 8

# Option A Reduction Factors

- Based on the age of retiree and joint annuitant
- Expressed as a percentage of the maximum benefit



# Option B

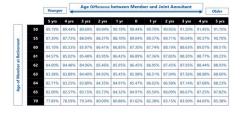
# 100% Joint and Survivor Annuity

- Payment for two lives
- Reduced lifetime benefit for you
- 100% survivor benefit for life

# Option B Reduction Factors

Based on the age of retiree and joint annuitant

Expressed as a percentage of the Maximum benefit



# Option B Limits

# Option B joint annuitant selection is limited to either

- member's spouse or,
- a non-spouse who is no more than 10 years younger than the member.

Workbook p. 8

# Joint and Survivor Annuitant (Option A or B)

Must be a specific person (not a trust, charity, pet, etc.)

Cannot be changed after retirement

If your joint annuitant dies before you, you can change to Maximum benefit (unreduced) from that point on.

Consult with OPERS before selecting a joint annuitant 15+ years younger.

Spouse Consent

Workbook p. 8

# Option C

# Single life annuity/10-year term certain

- · Reduced lifetime benefit
- If you die within the first 10 years of benefit payments, your beneficiary will receive payments for balance of the 10year period

# Option C Beneficiary

- Can be person, charity, trust, etc.
- May be changed at any time

# Option C Reduction Factors

Based on the age of retiree and joint annuitant

Expressed as a percentage of the Maximum benefit

Age	Factor
55	98.14%
56	98.05%
57	97.94%
58	97.82%
59	97.69%
60	97.55%
61	97.38%
62	97.19%

Age	Factor
63	96.95%
64	96.67%
65	96.33%
66	95.93%
67	95.47%
68	94.94%
69	94.34%
70	93.65%

# Retirement Options

Maximum → No Survivor Benefits

Option A → Reduced Benefit + ½ Survivor Annuity

Option B → Reduced Benefit + 100% Survivor Annuity

Option C → Reduced Benefit with 10-year term certain

Workbook, page 8

# Retirement Application Direct Deposit

You can upload your Direct Deposit information now or mail it in later.

Take a picture with your phone and upload.



# **Direct Deposit**

Benefits are paid via direct deposit

LAST working day of the month

# Update anytime

• Contact OPERS to request a Direct Deposit Authorization form



# Retirement Application Beneficiary

You must name at least one primary and one contingent beneficiary.

You must provide the following designee information:

- · Full legal name
- Date of birth
- Social Security number
- Address
- Relationship

www.opers.ok.gov/beneficiary-forms



# Beneficiary Designation

# Retiree Death Benefit(s)

- \$5,000 Death Benefit\*
- If applicable:
- Excess Accumulated Employee Contributions
- · Final Monthly Benefit Payment

# Taxed as ordinary income

- Can be rolled over to defer taxes if 1) spouse is beneficiary, or
- A non-spouse beneficiary rolls it over to an Inherited IRA.
- \* This is separate from any life insurance you may have and is provided for by OPERS.

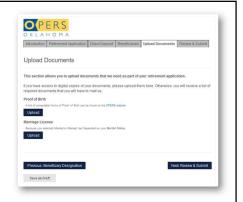
# Retirement Application Upload Documents

#### Upload copies of your vital documents

- Proof of birth for member
- · Proof of birth for joint annuitant
- Marriage License
- Divorce Decree
- · Death Certificate

Legible copies are accepted. Original documents will not be returned.

Be proactive and send to OPERS today!



# Retirement Application Review & Submit

# You must review and acknowledge:

• Retirement Date

- Retirement Type
- Retirement Options



# Retirement Application Review & Submit

# You must certify and agree to:

- · Accuracy of information
- Retirement type and benefit option cannot be changed after the retirement date
- Beneficiary designation
- Electronic signature process



# Electronic Signature

# Your Application will not be submitted to OPERS until you verify your signature

- · Check you email
- Click the "Go to Documents" link to verify.



You will receive an email confirmation after verifying your signature

# Retirement Application Deadline



# At least 60 days before retirement date

- Retirement Application must be complete and submitted to OPERS by the deadline.
- The Retirement Application is the only document that must be submitted by the deadline.

www.opers.ok.gov/dates-and-deadlines

# Retirement Checklist

Attached to the confirmation email

Checklist of the remaining steps for the OPERS retirement process

Includes relevant tips like contacting Social Security.



# Application Approval

# Acknowledgement Letter

- Confirms your retirement date
- · Ask for missing documents

Spouse consent

# Spouse Consent

# If you are married at retirement

• You may name your spouse as the joint annuitant under Option A or B.

# Your spouse must consent to:

- choosing another retirement options; or
- · choosing an alternate joint annuitant.



Workbook p. 8

# Preliminary Benefit Statement

15 days before retirement date
Estimated gross benefit amount
Link to tax withholding forms
Medicare Gap eligibility
Information on Returning to Work

# Tax Withholding

# Federal tax • OPERS III

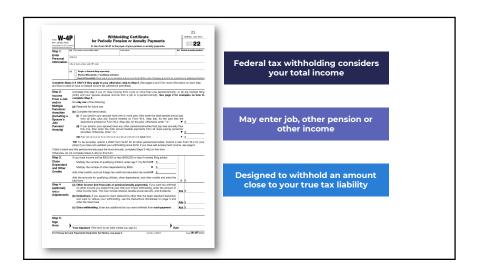
- OPERS uses the IRS Form W-4P
- Default is single with zero adjustments
- Digital form is much easier to fill out. Less opportunities for mistakes

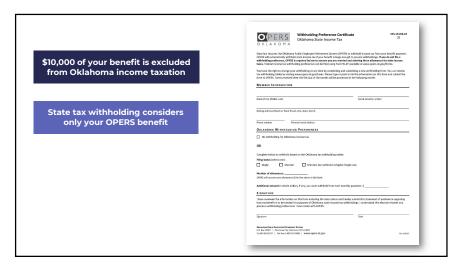
#### State tax

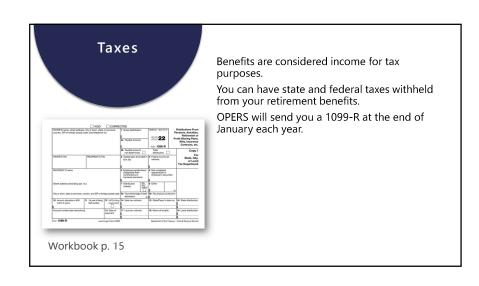
- OPERS form
- Default is married with three allowances

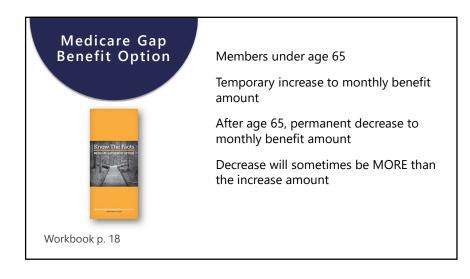
After tax contributions reduce your tax liability.

Update your forms anytime









Medicare Gap Benefit Option

Election is irrevocable

Actuarially neutral to OPERS

Individual calculations available on request

• Retiring in 2023, additional \$227.72 a month

IMPORTANT: If you elect the Medicare Gap Benefit Option and return to work, you may not waive benefits and retire a second time.

Medicare Gap
Benefit Option

Example: Normal benefit \$1000 per month.

Benefit with Medicare Gap Benefit Option:

Retirement Age <65 65+

62 \$1,228 \$925

55 \$1,228 \$668

Retirement First Benefits

### Retirement Date

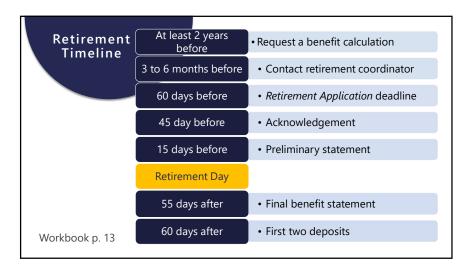
• First of the month

55 days after retirement date

• Final benefit statement

60 days after retirement date

• Your first two benefits are deposited



# Retired Returning to Work

# **Non-OPERS** employer

No affect on your OPERS benefit

Workbook p. 16

### **OPERS-participating employers**

No pre-arranged employment agreements per State law and IRS Code

### Same employer from which you retired

 One-year "cooling-off" period, or must waive benefits

# Different OPERS employer

 One month waiting period, or your benefit will be canceled Returning to Work with OPERS

### Decide to continue or waive benefits

- Post-Retirement Employment Election form
- Benefits will be subject to earnings limits
- Waiving benefits and working for three full years allows you to retire a second time

# Pay contributions

### Earn service credit

• Benefit increases every 2,076 hours worked

Workbook p. 16

# Earning Limitations

Workbook p. 16

# Benefit subject to Social Security earnings limitation

# When you approach earnings limit:

- Status of Post-Retirement Employment form
- Choose to continue or terminate employment

Social Secur	Social Security Administration (SSA) Earnings Limits		
Will not reach SSA Full Retirement Age in 2023	Up to the point you reach SSA Full Retirement Age in 2023	Once you reach the SSA Full Retirement Age	
\$21,240	\$56,520	No Limit	

# SoonerSave

### **Defined Contribution Plan**

- Voluntary
- No specific benefit promised
- Participant is primarily responsible for making contributions and managing those assets
- Supplements retirement income from Defined Benefit Plan



# SoonerSave Plans

The SoonerSave program is comprised of two separate plans:

- 457 Plan Your deferrals and investment income
- 401(a) Plan \$25 monthly contribution by the State and investment income.

Workbook p. 20

# SoonerSave Contribution Limits 2023

IRS sets limits annually

Age 50+ Catch-up is automatic

#### 457 Plan Catch-up

- Last three years before retirement
- Must have previously under contributed
- · Must be approved to participate

Regular	\$22,500
Age 50+ Catch-up	\$30,000
457 Standard Catch-up	\$45,000

# SoonerSave Annual Leave Contribution

Accumulated annual leave payout may be contributed into SoonerSave

Contact your agency coordinator

Forms due the month before annual leave will be paid out (approximately 30-45 days before last day on payroll)

You must not exceed the IRS contribution limit for the year.

# SoonerSave In Retirement

No additional deferrals to either plan

Roll-in still accepted

Funds may be left in the plan at retirement and withdrawn later

31 days waiting period after retirement

Set up banking information online now for faster withdrawals later

Update your SoonerSave beneficiaries online

# SoonerSave Distributions

# You have several withdrawal options

- Whole or partial lump sum
- Periodic payments

Call Empower to begin a distribution: 877-538-3457

 Set up banking information online now for faster withdrawals later

# Taxed as regular income

 NOTE: 401(a) - penalty may apply to withdrawals prior to age 59½, unless rollover to IRA or qualified plan

Paid by direct deposit or check

SoonerSave Required Minimum Distribution (both plans)

# You can delay distribution until the latter of:

- The year you turn age 72\*
- The year you retire from a SoonerSave participating employer

Failure to receive required minimum distribution could lead to a tax penalty.

\*age 70 ½ if you reach 70 ½ before January 1, 2020

Workbook p. 23

Workbook p. 20

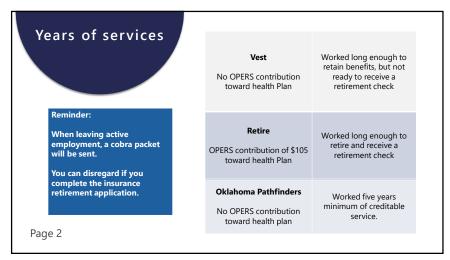
# The following insurance information is provided by the Employees Group Insurance Division (EGID) as a courtesy.

# Agenda

# Today we are going to review:

- Materials, years of service and how to retain your insurance benefits.
- Covering dependents after retirement.
- Things to know before you retire.
- Plan Benefits that are available.
- Forms.
- Premiums and Life Insurance.









# Coverage for your dependents

You may elect to continue or begin coverage for dependents at retirement.

Dependents cannot be added after retirement except:

- Loss of other group insurance.
- Adoption or legal guardianship (up to age 26).
- Marriage (Spouse must be added within 30 days).

You must notify EGID in writing within 30 days.

Things to know before you retire

Page 3 & 4

# Things to know before retiring

#### Did you know:

If you have a spouse that is activity working with an EGID participating employer group, you can DEFER health, dental, and vision to your spouse's coverage until they leave active employment.

Page 4

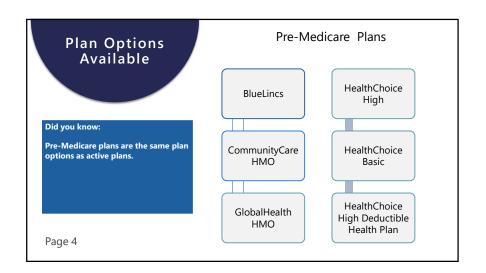
# If you worked past age 65:

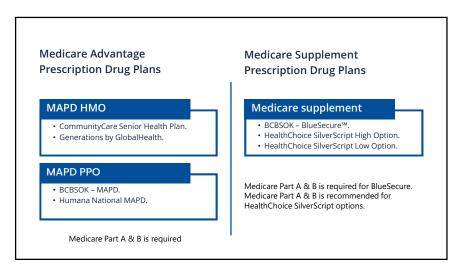
- 1) Contact Social Security
  - It is the member's responsibility to enroll in Medicare Part A and Part B.
  - Activate your Part B Medicare coverage.
- 2) Have your employer complete the CMS 564 form.
  - The form is available by calling Medicare or visiting the Medicare website.
  - As long as you provide proof of credible coverage, you will not incur a late enrollment penalty.
- 3) Review the Insurance Booklet and select the retirement benefits that are right for you.

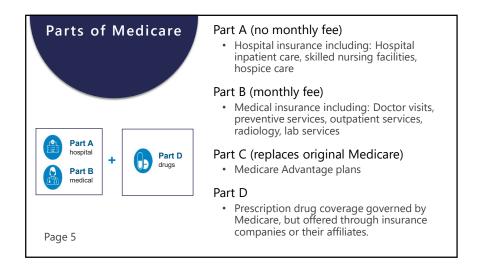
#### Remember

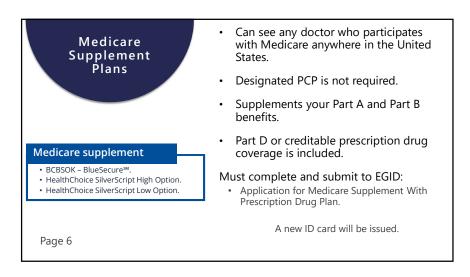
- If you remain working past 65, you may contact Social Security to delay your enrollment in Medicare Part B. Your employer insurance will be primary payer while working.
- https://www.ssa.gov









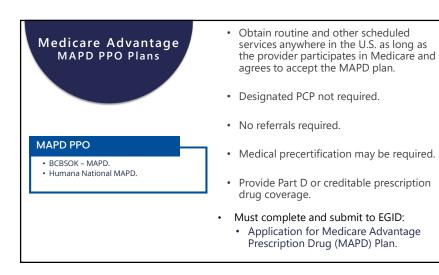


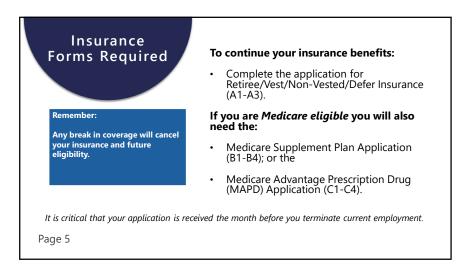
# Medicare Advantage MAPD HMO Plans MAPD HMO Community Care Senior Health Plan. Generations by GlobalHealth.

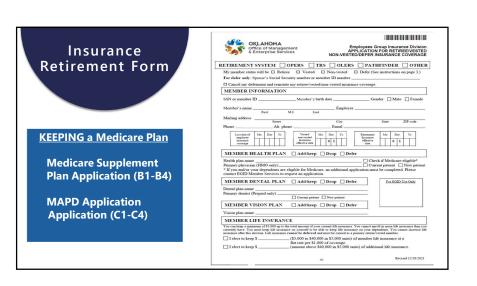
Page 6

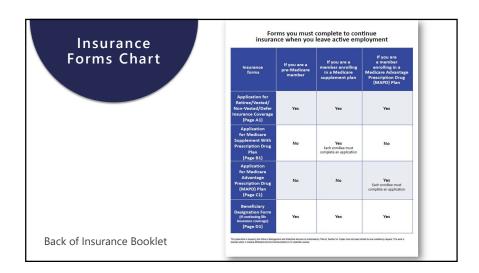
 Must be enrolled in Medicare Part A and Part B.

- Replaces Medicare and administers health benefits.
- Must live in MAPD plan's ZIP code service area.
- Designated PCP must coordinate all your medical services.
- Part D or creditable prescription drug coverage included.
- Cannot change plans if PCP leaves your network.
- Must complete and submit to EGID:
  - Application for Medicare Advantage Prescription Drug (MAPD) Plan.

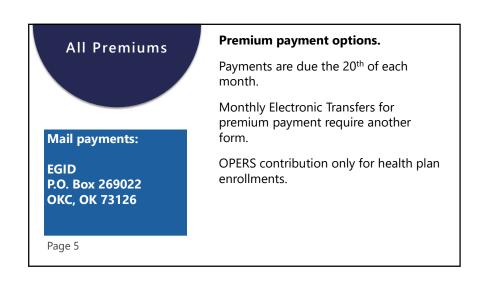
















Insurance Life Insurance

#### Life Insurance

- Retain all life insurance in effect while you were an active employee.
- Life insurance must be kept in \$5,000 increments.
- \$3.12 per \$1,000 up to \$40,000; \$41,000 and greater are age-rated.
- Complete a beneficiary form if you are retaining life insurance – please keep this information current.

### Dependent Life Coverage

- You may retain all of the amount carried on your dependents while you were an active employee.
- \$1.56 per \$500.
- Amounts can be different for spouse and children.

Insurance Life Premiums

Jan. 1 through Dec. 31, 2023 Life insurance must be kept in \$5,000 increr Premium cost is \$3.12 per \$1,000 up to \$40,000 Amount/Age\* < 30 30 - 34 35 - 39 40 - 44 45 - 49 50 - 54 55 - 59 60 - 64 65 - 69 70 - 74 75 + \$0.06 \$0.08 \$0.14 \$0.26 \$0.40 \$0.06 
 10,000
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 31,20
 <t 40,000 124.80 124.80 124.80 124.80 124.80 124.80 124.80 124.80 124.80 124.80 124.80 124.80 60,000 126.00 126.00 126.00 126.40 127.60 130.00 132.80 134.00 139.60 150.40 164.00 
 60,000
 127.01
 72.00
 12.00
 12.00
 12.00
 13.00
 12.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 13.00
 14.00
 13.00
 14.00
 13.00
 14.00
 13.00
 14.00
 13.00
 14.00
 14.00
 13.00
 14.00
 14.00
 13.00
 14.00
 14.00
 13.00
 14.00
 14.00
 13.00
 14.00
 14.00
 14.00
 13.00
 14.00
 14.00
 14.00
 14.00
 12.00
 13.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 14.00
 < 180,000 133,20 133,20 133,20 133,20 138,00 144,40 161,20 168,80 189,20 223,44 334,00 398,20 224,40 34,00 389,20 224,40 34,40 181,40 166,40 168,80 189,40 224,50 232,60 336,20 224,60 134,40 134,40 134,40 137,60 147,20 166,40 188,80 188,40 243,20 329,60 438,40 248,40 348,40 138,80 138,80 138,80 138,80 148,80 152,80 178,80 204,80 218,80 278,80 383,80 138,80 138,80 148,80 152,80 178,80 204,80 218,80 278,80 383,80 188,80 138,80 138,80 148,80 152,80 178,80 204,80 218,80 278,80 383,80 188,80 188,80 138,80 138,80 148,80 152,80 178,80 204,80 218,80 278,80 383,80 188,80 188,80 188,80 138,80 138,80 148,80 152,80 178,80 204,80 218,80 278,80 383,80 188 280,000 139.20 139.20 139.20 144.00 158.40 187.20 220.80 235.20 302.40 432.00 595.2 \$80,000 144.0 144.0 144.0 144.0 144.0 144.0 145.0 161.0 150.

EGID Life Premium Chart for Former Employees

Life Chart – on website

Page 3

# Insurance Surviving Dependents

Surviving dependents have 60 days to notify EGID that they wish to continue insurance coverage.

Surviving dependent children may continue coverage, including Dependent Life, until age 26.

A surviving spouse may continue coverage, including Dependent Life, as long as the premiums are paid. The spouse will pay the primary member rate.

(Retirement system contributions will not apply)

# Reminders

#### Moving

- · Contact EGID to update your address.
- If you are pre-Medicare and, on an HMO, you may need to enroll in a new plan.
- Medicare members can live anywhere in the USA and use any providers contracted with Medicare with certain plans.

# Option Period

 You will continue to have an annual Option Period.

### Contribution

- \$105 from OPERS toward medical premiums
- (rate sheet does not include the \$105 contribution)

